

*always
inspiring more...*

symrise 

Press Kit

Symrise

At a Glance

Symrise's products provide exciting flavor and fragrance experiences, improve food characteristics, and contribute to the health and personal care of consumers in 160 countries around the world. A dedicated focus on our customers, a high level of innovation and targeted expansion in new markets represent the basis for our sustainable, profitable growth.

Symrise develops, produces and sells fragrance, flavoring and food ingredients, cosmetic active ingredients and raw materials as well as functional ingredients and solutions that enhance the sensory properties and nutrition of various products. Our Company's approximately 30,000 products are mainly produced on the basis of natural raw materials like vanilla, citrus fruits, onions, fish, meat, blossoms and plant materials. Our flavors, substances, perfume oils and sensory solutions are often central functional components for our customers' end products. These customers include manufacturers of perfumes, cosmetics and foods; the pharmaceutical industry and producers of nutritional supplements, pet food and baby food.

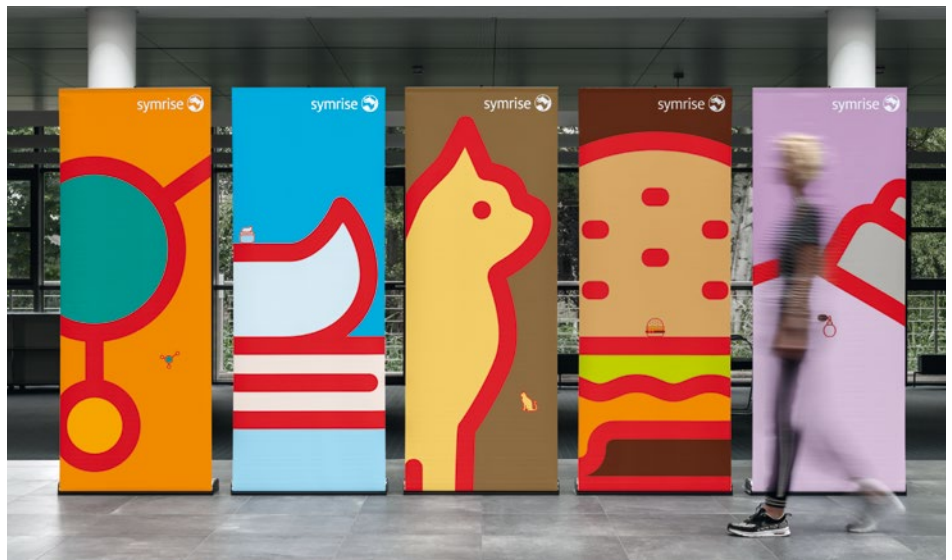
Our Company's origins go back to the year 1874. Symrise has since grown to achieve a current market share of 10 % – making it one of the leading suppliers of flavors and fragrances as well as nutrition solutions in the global market. A high level of innovation and creativity, an exact knowledge of customer needs and various regional consumer preferences as well as targeted expansion into new and promising market segments contribute to our company's above-average growth rate. Today, Symrise has about 10,400 employees working at sites in more than 40 countries, serving over 6,000 customers in roughly 160 countries.

Symrise's growth is primarily organic. We reinforce the expansion of our business activities with targeted investments in capacity expansions, research and development centers, our distribution network, logistics and an efficient energy supply.

For years, this has enabled us to grow more quickly than the market. We complement this growth by acquiring attractive companies that bring additional competencies into the Group and provide us with access to new market segments and customer groups. We also enter into strategic partnerships to develop new products.

The operating activities of the Symrise Group are managed in three segments: Flavor, Nutrition and Scent & Care. The divisions within these segments are organized according to business units and regions.

The Group's Corporate Center is located in Holzminden, Germany. Key corporate functions such as governance and control, communications and administration are located there. Symrise has regional headquarters in France (Rennes), the United States (Teterboro, New Jersey), Brazil (São Paulo) and Singapore.



Symrise's Value Chain: Business Activities and Products

Symrise manufactures about 30,000 products from around 10,000 – mostly natural – raw materials such as vanilla, citrus products or flower and plant materials.

The value chain of the three segments extends across research and development, purchasing, and production as well as the sale of products and solutions. The natural food ingredients, flavors, perfume oils and active ingredients are generally central functional components in our customers' end products and often play a decisive role in consumers' purchasing decisions. Along with the typical product characteristics such as fragrance and taste, our value creation lies in the development of products with additional benefits. Examples of how flavors and perfume oils are combined


















with other innovative components include flavorings that enable foods' sugar or salt content to be reduced or a moisturizing cosmetic ingredient that lowers the proportion of preservatives in care products. On the basis of these products, our customers can differentiate themselves from competitors with their tailor-made end products in the rapidly changing consumer goods market. The extensive research and development (R&D) undertaken at the company, which is supplemented by a wide-reaching external network of research institutes and scientific facilities, forms the basis of our product development. Given the strong differences in sensory preferences from region to region, comprehensive consumer research is also an important part of our R&D activities.

Company Profile: Structure and Business Activities

Symrise is a global supplier of fragrances and flavorings, cosmetic ingredients solutions as well as product solutions for natural nutrition. Its clients include manufacturers of perfumes, cosmetics, food and beverages, the pharmaceutical industry and producers of nutritional supplements and pet food.

With sales of € 3.4 billion in the 2019 fiscal year and a market share of around 10 %, Symrise is one of the leading global suppliers in the flavors and fragrances market. Headquartered in Holzminden, Germany, the Group is represented by more than 100 locations in Europe, Africa, the Middle East, Asia, the United States and Latin America.

The Symrise Group originally resulted from a merger between the German companies Haarmann & Reimer and Dragoco in 2003. The roots of Symrise date back to 1874 and 1919, when the two companies were founded. In 2006, Symrise AG entered the stock market with its initial public offering (IPO). Since then, Symrise shares have been listed in the Prime Standard segment of the German stock exchange. With a market capitalization of about € 12.7 billion at the end of 2019, Symrise shares are listed on the MDAX® index. Currently, about 95 % of the shares are in free float.

Flavor		Nutrition		Scent & Care		
Flavor	Diana	ADF/IDF	Probi*	Fragrance	Cosmetic Ingredients	Aroma Molecules
Beverages		Food 	Probiotics 	Fine Fragrances 	Active Ingredients 	Fragrance Ingredients 
Sweet		Pet Food 		Consumer Fragrances 	Sun Protection 	Menthol 
Savory		Aqua 		Oral Care 	Botanicals 	
	ADF/IDF 				Colors 	

Corporate Structure

Our customers include large, multinational companies as well as important regional and local manufacturers of food, beverages, pet food, perfumes, cosmetics, personal care products and cleaning products as well as laundry detergents.

We manufacture our flavorings and fragrances at our own production plants, where we also develop solutions for food production. In some cases, we have longer-term delivery contracts for obtaining important raw materials. We maintain close ties with our suppliers and establish uniform standards to guarantee that the quality of our base materials remains the same.

Three Segments:

Flavor, Nutrition and Scent & Care

Operational business is the responsibility of the Flavor, Nutrition and the Scent & Care segments. Every segment has its areas such as research and development, purchasing, production, quality control, marketing and sales. This system allows processes to be accelerated. We aim to simplify procedures while making them customer-oriented and pragmatic. We place great value on fast and flexible decision-making.

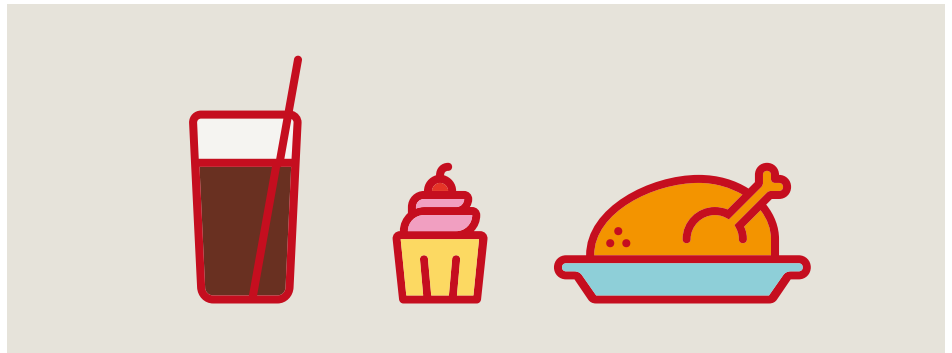
The Flavor segment is made up of the business units Beverages, Savory and Sweet. The Nutrition segment consists of the Diana division with the business units Food, Pet Food, Aqua and Probi. The Scent & Care segment breaks down into the Fragrance, Cosmetic Ingredients and Aroma Molecules divisions.

The activity of the Group is also organized into four regions: Europe, Africa and Middle East (EAME), North America, Asia/Pacific and Latin America.

Additionally, the Group has a Corporate Center where the following central functions are carried out: Accounting, Controlling, Taxes, Corporate Communications, Investor Relations, Legal Affairs, Human Resources, Group Compliance, Corporate Internal Audit and Information Technology (IT). Other supporting functions such as technology, energy, safety, environment and logistics are bundled in independent Group companies. They also maintain business relationships with customers outside the Group.

Symrise AG's headquarters are located in Holzminden, Germany. At this site, the Group's largest, Symrise employs 2,448 people in the areas of research, development, production, marketing and sales as well as in the Corporate Center. The company has regional headquarters in the USA (Teterboro, New Jersey), Brazil (São Paulo), Singapore and France (Rennes, Brittany). Important production facilities and development centers are located in Germany, France, Brazil, Mexico, Singapore, China and the USA. Symrise has sales branches in more than 40 countries.

Flavor



The Flavor segment offers more than 13,000 products for authentic taste experiences. The food and beverage industry in 143 countries worldwide uses these products to produce leading consumer products. In close cooperation with food producers, Symrise develops differentiating flavors that meet consumers' need for naturalness and give the respective products individual taste notes. Symrise supplies individual tonalities as well as complete solutions, which, apart from the actual flavor, can contain additional functional ingredients or encapsulated components for taste protection. With sites in more than 40 countries in Europe, Asia, North America, Latin America and Africa, the global presence and proximity of Symrise to its customers ensures that its product range is always up-to-date, even in dynamic markets. The Flavor segment's flavorings and ingredients are used in three business units:

Beverages With global competencies in non-alcoholic and alcoholic beverages, Symrise advises and supports the international beverage industry. The authentic and innovative taste solutions of Symrise set new standards for soft drinks, juice-based drinks, tea and coffee products, spirits and fermented beverages including brewery products. The Flavor segment also offers in-house technologies for resource-conserving flavor extraction and responsible sourcing of citrus flavors.

Sweet In the Sweet business unit, Symrise creates innovative taste solutions for sweets, chocolates, chewing gum, baked goods, cereals, ice cream and milk products as well as for the health care sector.

Savory Savory flavors made by Symrise are used in two significant categories: in the "Culinary" category for soups, sauces, readymade meals, instant noodles and meat products and in the "Snack Food" category with seasonings for snacks. Both areas translate increasingly demanding consumer desire for authentic taste and naturalness into successful customer concepts. Here, Symrise can rely on its flavor core competencies in meat and vegetables, which is characterized by cutting-edge food technology and research as well as sustainability. Symrise also offers a variety of solutions for products with plant-based proteins.

Nutrition

The Nutrition segment has more than 40 sites in 25 countries. With around 3,000 employees, it serves customers in more than 100 countries. The product range of the Nutrition segment includes natural, sensory product solutions such as taste, texture, color and functionality and is divided into five business units:

Food This unit offers solutions for the well-being of consumers for food and beverage manufacturers and for baby food products. Carefully selected, sustainable raw materials such as vegetables, fruit, meat and seafood are processed in the business unit. These are used to produce high-quality

goods with clean-label ingredients as well as standardized food ingredients with defined properties in terms of taste, texture or color, which create end products that are effective and interesting for the senses.

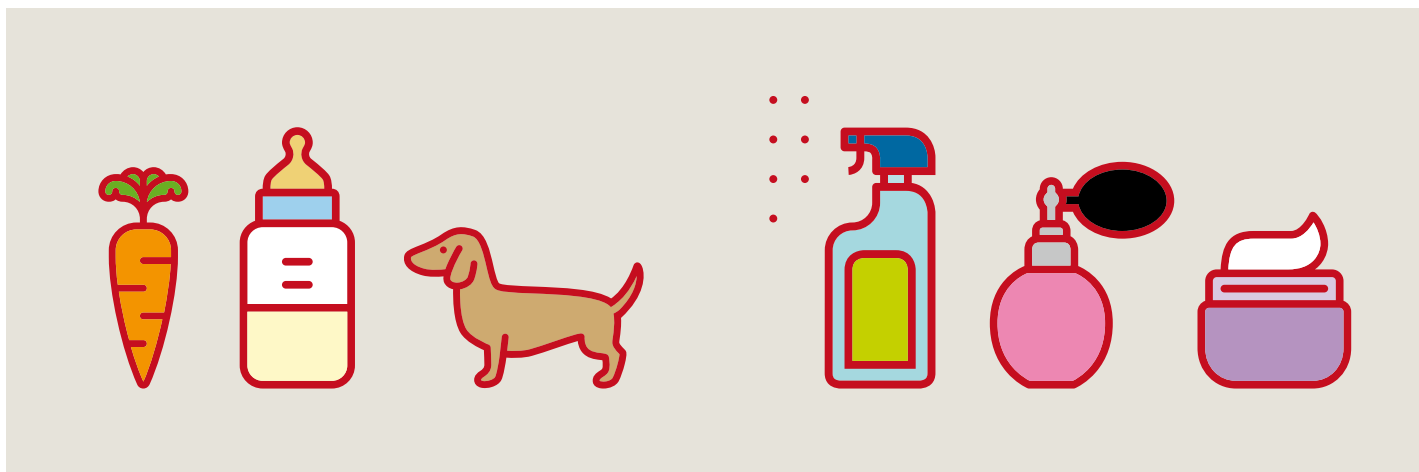
Pet Food This business unit offers numerous product solutions and services for improving taste and pets' acceptance of foods, achieving food safety of pet food, and for animal health. In addition, it develops innovative fragrance and care substances for pet care. The business unit maintains its own cat and dog panels for researching food acceptance, eating behaviors and interactions between pet owners and pets.

Aqua This business unit develops and produces progressive natural and sustainable marine ingredients for aquacultures for improving nutrition and animal health in fish and shrimp farms.

ADF/IDF With the acquisition of ADF/IDF in 2019, the Nutrition segment has strengthened its position in the North American market and significantly expanded its offering in the fast-growing areas of pet food, flavorings and food. ADF/IDF is a leading supplier of protein specialties based on meat and egg products for customers in the pet food and food industries as well as for producers of nutritional supplements.

Probi All activities having to do with probiotics are pooled in this business unit. These activities are largely handled by the Swedish Symrise holding Probi. Probi develops, produces and markets probiotics for foods, beverages and nutritional supplements with health-promoting benefits.

The Nutrition segment also operates the Nova incubator for innovative applications in the areas of health and nutrition.



Scent & Care

The Scent & Care segment has sites in more than 30 countries and markets over 15,000 products in 126 countries. Scent & Care is divided into three global divisions: Fragrance, Cosmetic Ingredients and Aroma Molecules. Their products are used in the following business units:

Fragrance The objective of the Fragrance division is to provide everyone who uses our products with "fragrances for a better life." The division employs more than 70 highly talented and respected perfumers of 14 different nationalities, who work at 11 creative centers around the world. Their combined professional experience adds up to more than 1,300 years of perfumery expertise. They combine aromatic raw materials like aroma chemicals and essential oils to make complex fragrances (perfume oils). Our

creative and composition business comprises the three global business units Fine Fragrances, Consumer Fragrances and Oral Care.

Cosmetic Ingredients The portfolio of the Cosmetic Ingredients division includes active ingredients, modern solutions for product preservation, pioneering protection against solar radiation and negative environmental influences, innovative ingredients for hair care, inspiring plant extracts, high-performance functionals and tailor-made cosmetic colors. The division's unique approach is based on more than 100 years of experience in the development and marketing of cosmetic raw materials. In addition, the division is able to combine the best of nature, science and chemistry as well as skin and hair biology. Based on intensive consumer research, the division understands the needs of modern consumers. The research centers in Holzminden and in São Paulo, Brazil, work closely with the respective regional sales and application technology teams to offer customers and consumers tailor-made solutions and products for different regional require-

ments. The Cosmetic Ingredients division is a recognized innovation leader that has received 33 innovation awards for new substances over the past ten years. During the same period, 99 patent applications were filed, 12 of them in 2019 alone.

Aroma Molecules The division includes the business units Menthols and Fragrance Ingredients. In the Menthols business unit, Symrise manufactures nature-identical menthol, which is primarily used in manufacturing oral care products, chewing gum and shower gels. Fragrance Ingredients manufactures aroma chemicals (intermediate products for perfume oils) of especially high quality. These aroma chemicals are used both in Symrise's own production of perfume oils as well as marketed to companies in the consumer goods industry and other companies in the fragrance and flavor industry. This business unit also includes the activities of the US-based company Renessenz LLC, acquired in 2016, with its terpene-based products derived from renewable and sustainable raw materials.

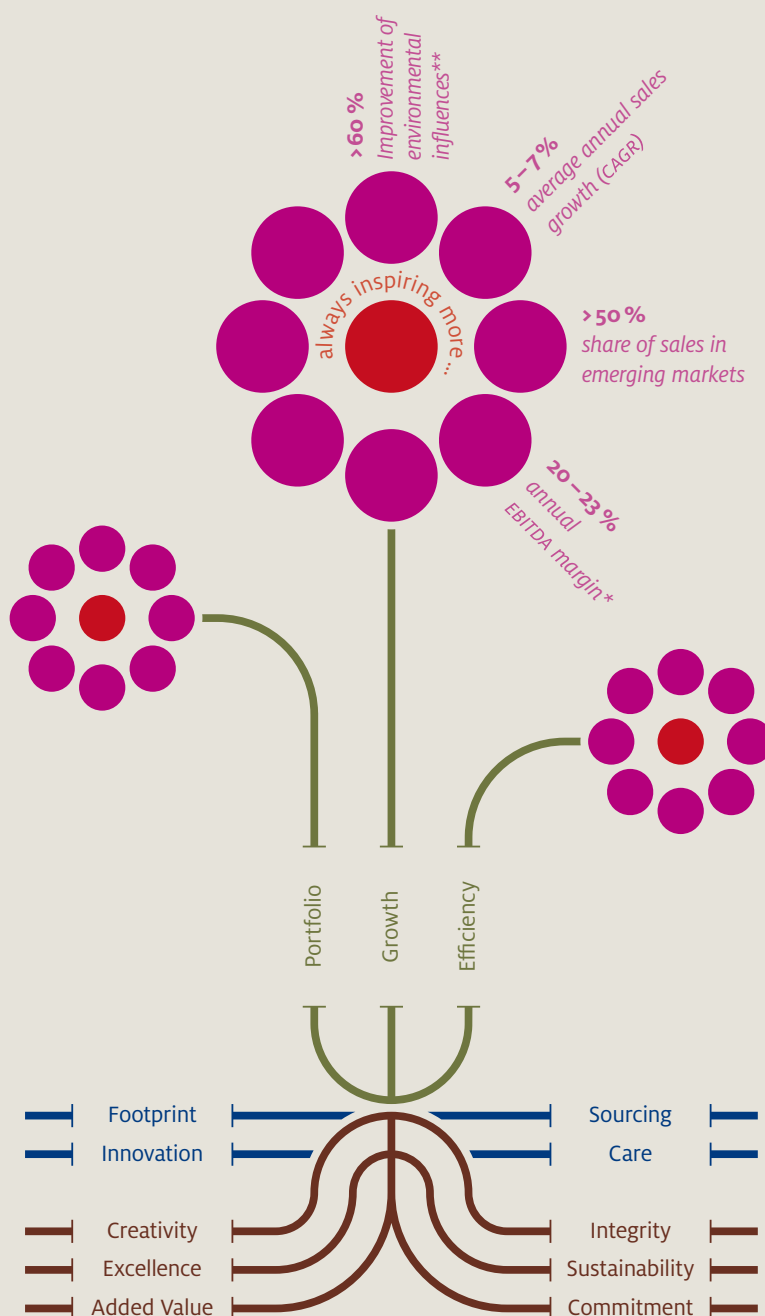
Strategy

Symrise's corporate strategy rests on three pillars: growth, efficiency and portfolio. It incorporates aspects of sustainability at all levels in order to enhance the company's value over the long term and minimize risks. In this way, we are making sustainability an integral part of our business model and turning it into a clear competitive advantage. The goal is a completely integrated corporate strategy.

Growth We strengthen our cooperation with our strategic customers around the world and expand our business in the emerging markets. We make sure that we remain innovation leaders in our core competencies. This ensures our continued growth.

Efficiency We constantly work to improve our processes and concentrate on products with a high level of value creation. With backward integration for key raw materials, we ensure a consistent, high-quality supply of these materials in sufficient quantities and at set conditions. We work cost-consciously in every division. This ensures our profitability.

Portfolio We enhance our product portfolio and tap into new markets and segments. We continue to expand our expertise outside the traditional flavor and fragrances industry. This ensures our prominent market position.



* Goals until 2020: 19 – 22 %

** Increase in eco-efficiency of emissions by more than 60 % by 2025. We want to be climate-positive starting in 2030.

Research and Development: Guidelines and Focus Areas

In research and development (R&D), Symrise aims to connect the individual components of product development, such as market and consumer research, R&D and creation, throughout the Group. Through the close linkup of R&D with marketing and business units, purchasing and manufacturing, product development, quality assurance and regulatory issues, we check early on to see whether new products and technologies can be implemented, digitized and if they are profitable, in addition to assessing their sustainability aspects. Strategic fields of research such as taste modulation or optimizing the taste of preparations based on plant protein are safeguarded by stringent IP management, such as intellectual property rights. Furthermore, all R&D activities are geared to the guidelines of megatrends, consumer needs, customer requirements, naturalness & authenticity, sustainability, digitization, innovation and cost efficiency.

The R & D strategy of the **Scent & Care** segment concentrates on five research platforms in the areas of cosmetic ingredients, encapsulation and release systems for perfumery, green chemistry for sustainable products, malodor management and oral care. Supporting platforms in the areas of sensory and analytical research, raw materials and byproducts from sustainable sources, performance, and receptor research form the basis for our capabilities and constant innovation process. Newly developed technologies support the understanding of perfume oils in terms of long-lasting fragrance experiences and blooming effects. In developing pet care products, we benefit from the cooperation

between the sensor technology within malodor management and the Nutrition segment. The growing population in large cities is causing the issue of anti-pollution to play an increasingly important role. Here, too, we benefit from the close cooperation of various groups in Fragrance and Cosmetic Ingredients research. Certain cultural preferences are making new demands on perfume oils, such as the need for alcohol-free perfume oils for Fine Fragrances. Aroma Molecules Research has developed Canapur® for pharmaceutical applications. The main advantage of the synthetic production of cannabidiol (CBD) is its constant product quality compared to CBD from renewable sources. In the Cosmetic Ingredients division, an interdisciplinary research group consisting of cell, molecular and microbiologists has been newly established, which deals with the human microbiome. This new field of research serves the deeper understanding of the benefits and risks of the interaction between humans and microorganisms and will provide scientific support across all areas in the development of new products, not only for skin and scalp care but also for oral care or nutrition.

In the **Flavor** segment, a large number of key topics are addressed based on certain technology platforms and with a special focus on sustainability aspects. Examples include the development of new separation technologies and the expansion of raw material

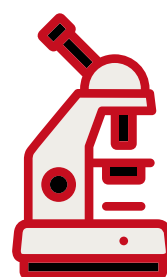
sources for sustainable and natural product solutions for the Symrise Code of Nature® platform, which are primarily used for healthy food concepts; natural and sustainable product platforms for taste solutions of sugar-, salt- and fat-reduced food concepts that are preferred by consumers because of their sensory qualities; and the development of energy-efficient and low-solvent methods for producing concentrates of natural plant-based extracts. Another focus of research in the Flavor segment is the development and application of modern digital tools for the rapid and targeted development of flavor solutions for selected food applications. Flavor is also working on continuously improving the safety and positive health effects of flavor solutions.

The **Nutrition** segment is also strongly science-driven and innovation-oriented. Approximately 10 % of the segment's employees work in research and development and are primarily concerned with the aspect of health promotion. Consumers are increasingly looking for products that they can trust and that are produced responsibly from simple, traceable ingredients. Among other things, this requires new ways of using natural raw materials. In cooperation with colleagues from other Symrise business units, new technologies are being developed and implemented that transform important manufacturing processes.



Research and Development Expenses

Total R&D expenditures amounted to € 213 million in the 2019 fiscal year (previous year: € 200 million), comprising 6.3 % of sales (previous year: 6.4 %). The expenses for R&D should remain at this level moving forward in order to further enhance the innovative strength of Symrise.



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